

Santa Barbara County

CURRENT SETTING

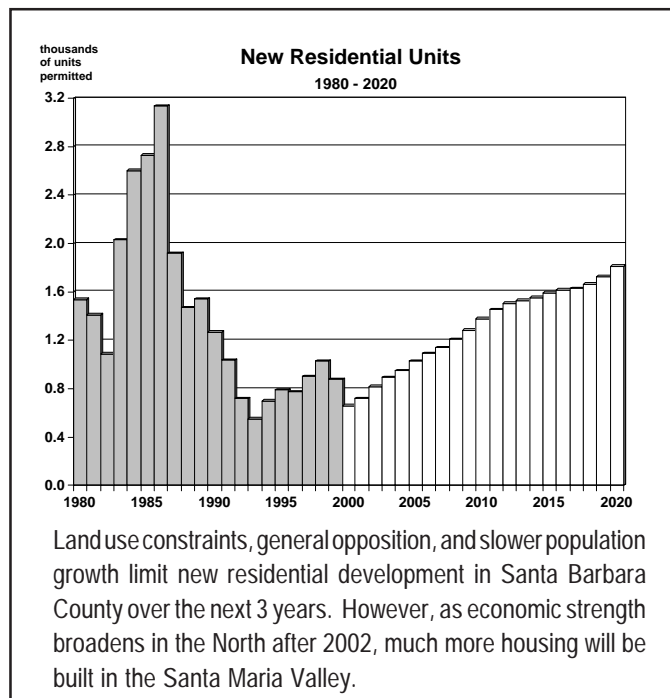
Growth of retail and technology sectors has dominated the recent expansion of the Santa Barbara County economy. The desirable environment indicative of the southern coastal strip of the County has caused a growth spurt in "dot com" businesses, software development, and communications services firms. Last year, 6,500 jobs were created in Santa Barbara County and the unemployment rate dropped to 3.9 percent.

The leading sector of job creation is retail trade, generating 2,400 new jobs this year. Business services including software and information development, Internet services, and other "new economy" jobs jumped 5.6 percent between 1998 and 2000.

The current average per capita income is at a record level in Santa Barbara County-\$30,525. The average salary per worker is \$33,975. In the last two years, the growth of technology industries in Santa Barbara, Carpinteria, and Goleta have been responsible for a pronounced increase in average earnings per worker.

FORECAST SUMMARY

- Total wage and salary employment is forecast to rise from 175,300 in 1999 to 215,800 in 2010, an average growth rate of 1.8 percent per year. Job growth should slow between 2010 and 2020, averaging 1.3 percent per year. Most of the future job opportunities are likely to shift to the North County area of Santa Barbara County.
- The fastest growing employment sector will be state and local government (including K-12 and post-secondary education). The rate of job growth is forecast to average 2.8 percent per year.
- The total number of vehicles registered in the county is expected to increase by nearly 56,000 over the next 10 years, from 318,700 in 1999 to 374,000 in 2010. Population is forecast to grow at a slower rate; hence the ratio of the number of persons per vehicle falls from 1.28 in 2000 to 1.22 in 2010.
- Inflation-adjusted per capita personal income is forecast to grow at an average annual rate of 1.7 percent through 2010 and 1.2 percent between 2010 and 2020.



- As the wine grape industry evolves along the Central Coast of California, a larger industry in Santa Barbara and San Luis Obispo Counties will prevail. Strawberries and broccoli are expected to remain important crops in the County. Farm employment is forecast to grow from 17,000 workers in 2000 to 25,300 in 2020.

EMPLOYMENT

More jobs were created in the Santa Barbara County economy in 1999 than in any other year of the 1990s. That rate of job creation is not expected to continue over the first decade of the new millennium. New job creation is expected to slow to an average 3,300 jobs per year.

Most of the new jobs will be in the services sector, including healthcare, and business services. The technology industries are expected to produce a growing base of service sector jobs, especially between 2000 and 2010. The trade sectors however, will likely create more employment opportunities than other sectors because of the strong tourism economy that characterizes Santa Barbara County.

Jobs in education will dominate the growth of public sector employment. With the 5 to 17-year-old and 18 to 21-year-old populations continuing to grow over the entire forecast period, both K-12 and post secondary school employment will be positively impacted.

INCOME

The growth of total personal income reached 6.2 percent in 1999. It is forecast to rise 6.5 percent in 2000 and 6.1 percent in 2001. A general slowdown in income formation is expected in 2002 and beyond, because job growth slows and the gains from stock portfolios are not forecast to remain extraordinary.

Per capita personal income (adjusted for inflation) grows at a 1.65 percent rate for the first 10 years of the forecast, and 1.16 percent per year for the 2010 - 2020 period. Per capita incomes for the county lags behind the average for the State of California because the job mix favors lower paying industries.

HOUSING AND DEMOGRAPHICS

In 1998 and 1999, net migration in Santa Barbara County averaged 950 persons per year. Net migration is expected to be positive throughout the forecast period, averaging 2,200 more in-migrants than out-migrants each year from 2000 to 2020. Due to the lack of housing in South-

ECONOMIC FORECAST: DEMOGRAPHICS, INCOME, SALES

year	Popula- tion	Net Migra- tion	Regis- tered Vehicles	House- holds	New Housing Units	Retail Sales	Personal Income	Real Per Capita Income	Farm Crop Sales	Indus- trial Output
	people	people	thousands of veh.	thousands of homes	homes	billions of \$	billions of \$	1999 \$ per person	millions of \$	billions of 1999 \$
1995	391,425	1,538	308	133	792	\$2.4	\$9.7	\$26,574	\$539	\$2.2
1996	393,716	-964	311	134	775	\$2.5	\$10.2	\$27,314	\$582	\$2.3
1997	400,788	4,125	299	135	903	\$2.7	\$10.8	\$27,873	\$626	\$2.4
1998	404,526	1,251	318	135	1,026	\$2.8	\$11.4	\$28,796	\$612	\$2.5
1999	408,292	757	319	136	877	\$3.1	\$12.1	\$29,607	\$650	\$2.4
2000	412,071	1,099	325	137	660	\$3.4	\$12.9	\$30,526	\$649	\$2.5
2001	417,331	1,014	331	137	720	\$3.6	\$13.7	\$31,273	\$655	\$2.5
2002	422,587	724	337	138	818	\$3.8	\$14.4	\$31,984	\$664	\$2.6
2003	427,843	714	342	139	893	\$4.1	\$15.2	\$32,584	\$680	\$2.6
2004	432,891	1,078	347	139	948	\$4.4	\$16.1	\$33,035	\$706	\$2.7
2005	437,300	1,037	352	140	1,027	\$4.6	\$16.9	\$33,424	\$744	\$2.8
2006	442,769	1,400	357	141	1,091	\$4.9	\$17.8	\$33,858	\$794	\$2.9
2007	448,931	1,667	362	142	1,140	\$5.2	\$18.7	\$34,344	\$814	\$3.0
2008	455,218	2,589	366	143	1,208	\$5.5	\$19.7	\$34,836	\$812	\$3.1
2009	461,777	3,203	370	144	1,284	\$5.8	\$20.7	\$35,307	\$832	\$3.2
2010	468,457	3,417	374	145	1,377	\$6.1	\$21.9	\$35,896	\$854	\$3.3
2011	475,356	2,364	377	147	1,455	\$6.4	\$23.0	\$36,573	\$878	\$3.4
2012	482,328	2,363	380	148	1,506	\$6.6	\$24.2	\$37,129	\$909	\$3.5
2013	489,511	1,934	383	149	1,529	\$6.9	\$25.4	\$37,773	\$941	\$3.6
2014	496,877	1,529	386	150	1,552	\$7.2	\$26.7	\$38,288	\$961	\$3.7
2015	505,627	2,467	389	152	1,591	\$7.5	\$27.9	\$38,685	\$980	\$3.9
2016	514,664	3,174	391	153	1,617	\$7.8	\$29.3	\$39,022	\$1,000	\$4.0
2017	523,938	2,964	395	155	1,627	\$8.1	\$30.7	\$39,315	\$1,027	\$4.1
2018	533,375	3,584	398	156	1,665	\$8.3	\$32.2	\$39,621	\$1,064	\$4.3
2019	543,047	3,914	401	157	1,725	\$8.6	\$33.9	\$40,044	\$1,100	\$4.4
2020	552,846	4,635	404	159	1,813	\$8.8	\$35.6	\$40,295	\$1,133	\$4.5

Note: Historical data is shown for the years 1990 to 1999; forecasts begin in the year 2000

ern Santa Barbara County, migrating population will settle in the North County area.

Land use constraints prevent much new housing from being developed in the southern end of the County. Consequently, the dominant share of new residential development forecast for Santa Barbara County will occur elsewhere, where both available and affordable land exists. Most of the 1,000 to 1,500 units forecast per year will be built in Santa Maria, Orcutt, and the Lompoc Valley.

Housing densities are expected to increase, despite the greater availability of homes in the North County area. The average number of persons per household is forecast to increase from 3.0 in 1999 to 3.4 in 2020.

The population forecast for 2010 is 468,500, implying a growth rate of 1.29 percent per year. Over the last five years, the rate of population growth in Santa Barbara County has been 1.15 percent per year. With a pronounced rise in the 20 to 29-year-old population over the next 10 years, total births in the County will increase accordingly.

ECONOMIC FORECAST: EMPLOYMENT

Total Wage & Salary	Farm	Cons- truction	Mining	Manu- fac- toring	Trans. & Public Utilities	Trade	Finance, Insurance, Real Estate	Total Services	Gov- ern- ment
----- thousands of jobs -----									
158.5	14.1	5.4	1.2	15.9	5.1	35.2	7.2	44.7	29.7
160.3	14.6	5.9	1.2	16.4	5.1	35.0	7.1	45.3	29.7
166.1	14.7	6.7	1.0	17.1	5.4	36.6	7.2	46.5	30.9
168.7	13.8	6.8	0.9	17.8	5.3	37.4	7.5	47.4	31.8
175.3	16.4	7.7	0.8	16.4	5.0	39.1	7.5	50.0	32.4
180.3	16.9	7.9	0.8	16.5	5.0	40.7	7.4	51.5	33.7
184.6	17.4	8.0	0.8	16.4	5.0	41.9	7.4	52.8	35.1
188.7	17.8	8.1	0.7	16.4	5.1	43.0	7.3	53.9	36.4
192.5	18.1	8.2	0.7	16.6	5.1	43.9	7.2	55.0	37.8
196.2	18.5	8.2	0.7	16.8	5.1	44.8	7.2	55.8	39.1
199.8	18.9	8.3	0.7	17.2	5.1	45.6	7.1	56.5	40.4
203.5	19.5	8.3	0.7	17.5	5.1	46.4	7.1	57.2	41.7
207.0	20.0	8.3	0.7	17.8	5.1	47.1	7.1	57.8	43.0
210.2	20.4	8.3	0.7	18.1	5.2	47.8	7.1	58.4	44.2
213.1	20.8	8.3	0.7	18.4	5.2	48.5	7.2	58.8	45.3
215.8	21.1	8.3	0.7	18.7	5.2	49.1	7.3	59.1	46.3
218.5	21.5	8.2	0.6	18.9	5.2	49.8	7.3	59.6	47.3
221.3	21.9	8.2	0.6	19.2	5.2	50.3	7.4	60.0	48.3
224.1	22.4	8.2	0.6	19.4	5.2	50.9	7.5	60.6	49.3
227.1	22.8	8.1	0.6	19.7	5.2	51.4	7.5	61.2	50.3
230.0	23.3	8.1	0.6	20.0	5.2	51.9	7.6	61.8	51.4
233.0	23.6	8.1	0.6	20.3	5.2	52.4	7.7	62.4	52.5
235.9	24.0	8.0	0.6	20.6	5.2	52.9	7.8	63.0	53.6
239.0	24.5	8.0	0.6	20.9	5.3	53.3	8.0	63.7	54.8
242.1	24.9	8.0	0.6	21.1	5.3	53.6	8.1	64.4	56.1
245.3	25.4	8.0	0.6	21.4	5.3	53.9	8.2	65.1	57.4

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